

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-243-WS - ORDER NO. 2008-547
AUGUST 7, 2008

IN RE: Application of Harbor Island Utilities, Inc.)
for Approval of a New Schedule of Rates and)
Charges for Water and Sewer Service)
Provided to Residential and Commercial)
Customers in Harbor Island, Beaufort County)

ORDER APPROVING
INCREASES

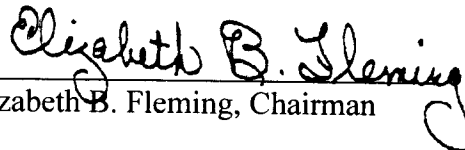
This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Harbor Island Utilities, Inc. (Harbor Island or the Company) for review and approval, effective July 1, 2008, of an increase in the Company's rate for water to its customers as a result of an increase in the transportation fee for water that it purchases from Fripp Island Public Service District ("FIPSD") and for review and approval of an increase in the Company's rate for wastewater disposal to its customers as a result of an increase in the effluent disposal fee from FIPSD. The request is submitted pursuant to the measures set forth in the settlement agreement approved by the Commission by Order No. 2007-888, dated December 18, 2007. In the settlement agreement, the parties (Office of Regulatory Staff and Harbor Island) agreed that Harbor Island may pass through increased costs it incurred pursuant to its contracts with Beaufort-Jasper Water & Sewer Authority and Fripp Island Public Service District. However, the increases are subject to the Commission being provided with satisfactory proof of the basis for the adjustments and sufficient notice to customers as set out in Harbor Island's revised application.

In the present matter, the Company is proposing to increase the rate for water to its customers in the amount of \$0.01 per thousand gallons, the identical amount of the increase in the Company's cost of water imposed by FIPSD. Harbor Island also proposes to increase the rate for disposal of treated wastewater by \$0.01 per thousand gallons, the identical amount of the increase imposed by FIPSD for wastewater disposal. In support of the request, Harbor Island enclosed a copy of a letter from Marion E. Wilson, Manager of FIPSD, outlining the basis for the request and including the current rates and the proposed new rates. Harbor Island states that it will furnish thirty (30) days written notice to its customers of the amount of the adjustments in the bills the Company sends in mid-August.

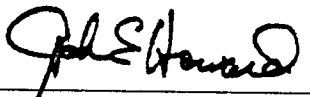
We have reviewed the proposal. Harbor Island was not able to give this Commission sixty (60) days notice of the increases, due to the fact that notification of the amount of the increase from FIPSD was not issued until June 11, 2008. Otherwise, Harbor Island complied with the procedure for submitting rate increases due to increases the Company incurred pursuant to its contract with FIPSD. Accordingly, we approve the request as filed. Harbor Island shall furnish thirty (30) days notice of the increases to its customers as outlined in its request.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:


Elizabeth B. Fleming, Chairman

ATTEST:



John E. Howard, Vice Chairman
(SEAL)